[JOINT COMMITTEE PRINT]

SCHEDULE OF PRESENT FEDERAL EXCISE TAXES (AS OF APRIL 1, 1987)

PREPARED BY THE STAFF

OF THE

JOINT COMMITTEE ON TAXATION

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REVISED CORRECTION TO JCS-13-87
(Schedule of Present Federal Excise Taxes)

On page 22 (Part II), the total Trust Fund Excises for FY 1986 should be $16,832 (million) instead of $16,866.

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INTRODUCTION

This pamphlet,[1] prepared by the staff of the Joint Committee on Taxation, provides a listing of present Federal excise taxes and tax rates as of April 1, 1987.[2] The pamphlet also provides data on Federal excise tax receipts, fiscal years 1986–1988. This pamphlet is intended to provide summary information on current Federal excise taxes for Members of the House Committee on Ways and Means, Members of the Senate Committee on Finance, and other Members of Congress.

The most recent Federal excise tax change (the new harbor maintenance tax, sec. 4461) went into effect on April 1, 1987. The revenues from this tax are deposited in the Harbor Maintenance Trust Fund.

The listing of the various current Federal excise taxes (Part I) is organized into 14 categories (including a category of "miscellaneous" excises). The listing includes information as to whether revenues from the particular excise taxes go into a Trust Fund (or other special fund), any scheduled expiration dates or changes in tax rates, and the pertinent sections of the Internal Revenue Code.[3] Part II of the pamphlet presents data on Federal excise tax receipts, fiscal years 1986–1988. An Appendix contains tables showing: (1) the excise tax rates on feedstock chemicals (sec. 4661), and (2) the list of taxable substances subject to the excise tax on certain imported (chemical) substances (sec. 4671).

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[1] This pamphlet may be cited as follows: Joint Committee on Taxation, *Schedule of Present Federal Excise Taxes (as of April 1, 1987)* (JCS–13–87) May 28, 1987.

[2] See also, prior Joint Committee staff pamphlet, *Schedule of Present Federal Excise Taxes (As of January 1, 1986)* (JCS–6–86), February 27, 1986.

[3] Code sections in the 9500's refer to the Trust Fund Code provisions. The other Code sections listed refer to the applicable excise tax provisions.

I. SCHEDULE OF PRESENT FEDERAL EXCISE TAX RATES

(AS OF APRIL 1, 1987)

Tax (and Code section)	Tax rates
A. Alcohol Excise Taxes	
1. Alcoholic beverage taxes:	
Distilled spirits (sec. 5001)	$12.50 per proof gallon.
Wines (sec. 5041):	
Not more than 14 percent alcohol	17 cents per wine gallon.
14 to 21 percent alcohol	67 cents per wine gallon.
21 to 24 percent alcohol [1]	$2.25 per wine gallon.
Artificially carbonated wines	$2.40 per wine gallon.
Champagne and other sparkling wines	$3.40 per wine gallon.
Beer (sec. 5051)	$9 per barrel (31 gallons) generally.[2]
2. Alcohol occupational taxes:	
Brewers (sec. 5091)	$110 a year; $55 for brewers of less than 500 barrels a year.
Wholesale dealers (sec. 5111):	
Liquors and wines	$255 a year.
Beer	$123 a year.
Retail dealers [3] (sec. 5121):	
Liquors and wines	$54 a year.
Beer	$24 a year.

[1] Wines containing more than 24 percent alcohol are taxed as distilled spirits.

[2] $7 per barrel on the first 60,000 barrels removed each year by small domestic brewers who produce less than 2,000,000 barrels of beer during the calendar year.

[3] In addition, there is a tax of $4.50 for each month in which sales are made ($2.20 per month when *only* sales of beer or wine are made) for every "limited retail dealer"—e.g., certain fraternal and civic organizations and concessionaires at fairs and carnivals (secs. 5121(c) and 5122(c)).

Tax (and Code section)	Tax rates

B. Tobacco Excise Taxes

1. Cigars (sec. 5701(a)):

Small cigars (weighing no more than 3 pounds per thousand)	75 cents per thousand.
Large cigars (weighing more than 3 pounds per thousand)	8½ percent of wholesale price (but not more than $20 per thousand).

2. Cigarettes (sec. 5701(b)):

Small cigarettes (weighing no more than 3 pounds per thousand)	$8 per thousand (i.e., 16 cents per pack of 20 cigarettes).
Large cigarettes (weighing more than 3 pounds per thousand)	$16.80 per thousand.[4]

3. Cigarette paper and tubes:

Cigarette paper (sec. 5701(c))	½ cent for each 50 papers.[5]
Cigarette tubes (sec. 5701(d))	1 cent for each 50 papers.[6]

4. Smokeless tobacco:

Snuff (sec. 5701(e)(1))	24 cents per pound.
Chewing tobacco (sec. 5701(e)(2))	8 cents per pound.

[4] Large cigarettes measuring more than 6½ inches in length are taxed at the rate prescribed for small cigarettes, counting each 2¾ inches (or fraction) as one cigarette.

[5] Cigarette papers measuring more than 6½ inches in length are taxed at the rate prescribed, counting each 2¾ inches (or fraction) as one cigarette paper. Tax does not apply to a book or set of cigarette papers containing 25 or fewer papers.

[6] Cigarette tubes measuring more than 6½ inches in length are taxed at the rate prescribed, counting each 2¾ inches (or fraction) as one cigarette tube.

Tax (and Code section)	Tax rates
C. Highway Trust Fund Excise Taxes (sec. 9503) [7]	
1. Motor fuels:*	
Gasoline (sec. 4081)	9 cents/gallon.
Diesel fuel (sec. 4041(a)(1)).	15 cents/gallon generally.[8]
Special motor fuels (incl. alcohol fuels from petroleum) (sec. 4041(a)(2))	9 cents/gallon.
Methanol, ethanol fuels: [9]	
Fuels from other than petroleum or natural gas (sec. 4041(b)(2))	3 cents/gallon (i.e., a 6 cents/gallon exemption).[9a]
Fuels from natural gas (sec. 4041(m))	4.5 cents/gallon (i.e., a 4.5 cents/gallon exemption).
Gasohol (sec. 4081(c))	3 cents/gallon (i.e., a 6 cents/gallon exemption) for 10% or more alcohol-gasoline blend).
Diesohol (sec. 4041(k)(1))	9 cents/gallon (i.e., a 6 cents/gallon exemption for 10% or more alcohol-diesel blend).
2. Trucks and trailers:	
Trucks (over 33,000 lbs.) and trailers (over 26,000 lbs.) (sec. 4051) [9b]	12 percent of retail price.

***See also E.3., "Taxes for Leaking Underground Storage Tank Trust Fund," for additional tax of 0.1 cent per gallon on motor fuels (through 1991).**

[7] The Highway Trust Fund taxes and exemptions are scheduled to expire after September 30, 1993. *Note.* These tax rates were extended for 5 years (through September 30, 1993) under H.R. 2 (P.L. 100–17).

[8] A net tax of 3 cents per gallon (12 cents/gal. refund or credit) applies to certain privately operated, scheduled intercity buses (sec. 6427(b)).

There is a one-time rebate (credit or refund) to the original purchaser of a qualified diesel-powered car, truck, or van having a gross vehicle weight rating of 10,000 pounds or less. The rebate varies with the model year (only available for post-1978 models) and type of vehicle (higher rebate for a truck or van than for a car). The credit applies to such vehicles owned as of January 1, 1985, or originally purchased after January 1, 1985 and before January 1, 1993 (sec. 6427(g)).

[9] Alcohol fuels the content of which is at least 85 percent of methanol, ethanol, or other alcohol.

[9a] The additional 0.1 cent per gallon tax imposed under section 4041(d) for the Leaking Underground Storage Tank Trust Fund (see E.3., below) is 0.05 cent per gallon for such methanol and ethanol fuel.

[9b] Includes tractors of the kind chiefly used for highway transportation with a trailer or semitrailer.

Tax (and Code section)	Tax rates
3. Tires for highway vehicles (sec. 4071)	40 pounds or less—no tax.
	40–70 pounds—15 cents/pound over 40 pounds.
	70–90 pounds—$4.50, plus 30 cents/pound over 70 pounds.
	Over 90 pounds—$10.50, plus 50 cents/pound over 90 pounds.
4. Use tax on heavy highway vehicles (sec. 4481) [10]	Under 55,000 pounds—no tax.
	55,000–75,000 pounds—$100 plus $22 per 1,000 pounds over 55,000.
	Over 75,000 pounds—$550.
D. Airport and Airway Trust Fund Excise Taxes (sec. 9502) [11]	
1. Air passenger ticket tax (sec. 4261)	8 percent of air fare.
2. International departure tax (sec. 4261(c))	$3 per person.
3. Domestic air cargo tax (sec. 4271)	5 percent of amount paid.
*4. Fuels taxes for noncommercial (general) aviation:**	
Gasoline (secs. 4081 and 4041(c))	12 cents per gallon.
Nongasoline (sec. 4041 (c))	14 cents per gallon.

***See also E.3., "Taxes for Leaking Underground Storage Tank Trust Fund," for additional tax of 0.1 cent per gallon on motor fuels (through 1991).**

[10] Annual tax: the taxable period is July 1–June 30. Tax liability is incurred as of the first month the vehicle is used during the taxable period. If the first use is after July, the tax is prorated for the taxable period. The tax may be paid in quarterly installments.

The use tax is reduced by 25 percent for vehicles (1) used exclusively in transporting harvested forest products to and from the forested site and which are required to be registered for that purpose, and (2) registered in Canada or Mexico. (The latter provision is effective on July 1, 1987, as enacted in P.L. 100–17.)

There is an exemption for vehicles used fewer than 5,000 miles on public highways during the taxable period (7,500 miles for farm vehicles), and for certain local transit buses. Also, there is a prorated refund of tax for trucks destroyed or stolen during the taxable period.

In addition, under 1984 legislation, the Department of Transportation (in consultation with the Treasury Department) is required to conduct studies of the highway use tax and to submit reports to the Congressional tax-writing committees not later than October 1, 1987, on (1) whether vehicles of 80,000 pounds or more bear their fair share of highway costs, (2) the significance of the use tax for transborder trucking operations, and (3) the feasibility of weight-distance truck taxes.

[11] The Airport and Airway Trust Fund taxes are scheduled to expire after December 31, 1987.

Tax (and Code section)	Tax rates
E. Environmental Excise Taxes	
1. Excise taxes for Hazardous Substance Superfund (sec. 9507): [12]	
Crude oil tax (sec. 4611)	8.2 cents per barrel for domestic crude oil; 11.7 cents per barrel for imported petroleum products. (See also Oil Spill Liability Trust Fund tax, below.)
Tax on feedstock chemicals (sec. 4661)	Tax ranges from $0.22 to $4.87 per ton generally. (See Table 1 in the Appendix for specific tax rates for chemicals.) [13]
Tax on certain imported substances (sec. 4671) [14]	Generally taxed at the rates that would be applicable to taxable chemicals under sec. 4661. If importer does not furnish adequate information to Treasury to determine tax rate, the rate is to be 5 percent of the value of such imported substance. No tax is to apply to a substance on which a tax is imposed under sec. 4611 or sec. 4661. (See Table 2 in the Appendix for initial list of taxable substances.)

[12] The Superfund also receives revenues from the environmental tax on corporations (sec. 59A), equal to 0.12 percent of the modified alternative minimum taxable income of the corporation in excess of $2,000,000. This tax applies generally to taxable years beginning after December 31, 1986, and before January 1, 1992 (with an earlier termination as determined below when the Superfund reaches certain levels of unobligated balance or total tax receipts).

The Superfund excise taxes are scheduled to expire after December 31, 1991, or earlier if (1) the Superfund unobligated balance exceeds $3,500 million at the end of 1989 or 1990, *and* if the unobligated balance is estimated to exceed this amount at the end of the following year if no Superfund taxes were to be imposed during such year, or (2) when total Superfund tax revenues exceed $6,650 million (including the sec. 59A tax revenues).

[13] For periods before 1992, the tax on xylene is $10.13 per ton, instead of $4.87.

[14] The excise tax on certain imported substances begins on January 1, 1989, with the same expiration schedule as for the other Superfund taxes.

Tax (and Code section)	Tax rates
2. Tax for Oil Spill Liability Trust Fund (sec. 9509):	
Crude oil tax (sec. 4611(c)(2)(B)) [15]	1.3 cents per barrel.
3. Taxes for Leaking Underground Storage Tank Trust Fund (sec. 9508): [16]	
Gasoline (sec. 4081(b)(2)(B))	0.1 cent per gallon (including aviation).
Other motor fuels (sec. 4041(d))	0.1 cent per gallon (including fuels used in motor vehicles, motorboats, trains, or aviation, but excluding liquid petroleum gas).
Fuels used in inland waterways (sec. 4042) [16a]	0.1 cent per gallon.
F. Crude Oil Windfall Profit Tax (secs. 4986–4998) [17]	
Tier one oil	70 percent; 50 percent for independent producer oil.
Tier two oil (stripper oil,[18] Naval Petroleum Reserve oil)	60 percent; 30 percent for independent producer oil.
Tier three oil:	
Newly discovered oil	22.5 percent for 1987; 20 percent for 1988; and 15 percent for 1989 and thereafter.
Heavy oil and incremental tertiary oil	30 percent.

[15] The Oil Spill Liability Trust Fund tax rate applies *only* if qualified authorizing legislation is enacted before September 1, 1987. The tax would terminate after December 31, 1991, or earlier if amounts collected exceed $300 million. (This tax is to be imposed on the same tax base as the Superfund crude oil tax, described in E.1., above.)

[16] These taxes are scheduled to expire after December 31, 1991, or earlier if the net revenues from these taxes to the Trust Fund reach $500 million. (See also C.1., for Highway Trust Fund taxes on motor fuels; D.4., for Airport and Airway Trust Fund taxes on noncommercial aviation fuel; I., for tax on fuels used on inland waterways; and J., for tax on motor boat fuels.)

[16a] A technical correction to section 4042 is needed to apply this additional tax rate.

[17] The tax rate applies to the "windfall profit" on each barrel of taxable crude oil, as computed under the statute. The windfall profit tax is scheduled to be phased out over a 33-month period beginning after December 1987 or (if later) after the month that the aggregate net windfall profit tax revenues exceed $227.3 billion, but in no case later than December 1990. (*Note:* Total windfall profit tax revenues are not projected, under existing oil price projections, to reach this maximum by December 1990.)

[18] Qualified independent stripper oil is exempt (sec. 4994(g)).

Tax (and Code section)	Tax rates

G. Gas Guzzler Excise Tax (sec. 4064)

	Tax per vehicle
Fuel economy rating (in miles per gallon):	
At least 22.5	0
At least 21.5 but less than 22.5	$500
At least 20.5 but less than 21.5	650
At least 19.5 but less than 20.5	850
At least 18.5 but less than 19.5	1,050
At least 17.5 but less than 18.5	1,300
At least 16.5 but less than 17.5	1,500
At least 15.5 but less than 16.5	1,850
At least 14.5 but less than 15.5	2,250
At least 13.5 but less than 14.5	2,700
At least 12.5 but less than 13.5	3,200
Less than 12.5	3,850

H. Harbor Maintenance Trust Fund Excise Tax (sec. 9505)

Tax on use of harbors (ports) (sec. 4461) [18a]	0.04 percent of value of commercial cargo loaded or unloaded at U.S. ports; certain exceptions for cargo shipped between U.S. mainland and Alaska (except for crude oil), Hawaii, or U.S. possessions.

[18a] Effective beginning on April 1, 1987.

Tax (and Code section)	Tax rates
I. Inland Waterways Trust Fund Excise Tax (sec. 9506)	
Tax on diesel and other liquid fuels used by commercial cargo vessels on specified inland or intracoastal waterways (sec. 4042)*	
Through 1989	10 cents per gallon.
1990	11 cents per gallon.
1991	13 cents per gallon.
1992	15 cents per gallon.
1993	17 cents per gallon.
1994	19 cents per gallon.
1995 and thereafter	20 cents per gallon.
J. Aquatic Resources Trust Fund Excise Taxes (sec. 9504)	
1. Boating Safety Account taxes:	
Gasoline and special fuels used in motorboats (secs. 4081 and 4041(a)(2))**	9 cents per gallon (through Sept. 30, 1993); limited to $45 million per year to the Account.[19]
2. Sport Fish Restoration Account taxes:	
Gasoline and special fuels used in motorboats (secs. 4081 and 4041(a)(2))**	9 cents per gallon (through Sept. 30, 1993); the balance of receipts in excess of the $1 million and $45 million (see item J.1., above, and footnote 19).
Sport fishing equipment (sec. 4161(a))	10 percent of manufacturers price; except 3 percent for electric outboard motors and certain fish finders (tax on fish finders limited to $30 per item).

***See also E.3., "Taxes for Leaking Underground Storage Tank Trust Fund," for additional tax of 0.1 cent per gallon on such fuel, through 1991 (subject to the technical correction being enacted, as noted).**

****See also E.3., for additional tax of 0.1 cent per gallon on such fuel, through 1991.**

[19] Also, $1 million per fiscal year of these motorboat fuel tax revenues goes to the Land and Water Conservation Fund (sec. 9503(c)(4)(B)).

Tax (and Code section)	Tax rates
K. Bows and Arrows and Firearms Excise Taxes	
1. Bows and arrows (sec. 4161(b))[20]	11 percent of manufacturers price.[21]
2. Regular firearms and ammunition (sec. 4181):[20]	
Pistols and revolvers	10 percent of manufacturers price.
Firearms other than pistols and revolvers	11 percent of manufacturers price.
Ammunition (shells and cartridges)	11 percent of manufacturers price.
3. "Non-regular" firearms:[22]	
Occupational taxes (sec. 5801):[23]	
Importer	$500 per year.
Manufacturers	$500 per year.
Dealers	$200 per year.
Transfer taxes (sec. 5811):	
Generally	$200 per transfer.
Certain concealable weapons (see sec. 5845(e))	$5 per transfer.
Making tax (sec. 5821)	$200 per firearm.

[20] Revenues from these taxes (secs. 4161(b) and 4181) are appropriated, in the fiscal year following receipt, to the Federal Aid to Wildlife Program ("Pittman-Robertson Fund") for support of State wildlife programs.

[21] The tax is imposed on bows having a draw weight of 10 pounds or more. Under P.L. 98-369, the tax on arrows was expanded to apply also to arrows *fewer* than 18 inches in length (only arrows 18 inches or more in length were taxed previously) which are suitable for use with a taxable bow (e.g., crossbows).

[22] Firearms not listed above in K.2., i.e., machine guns, "destructive devices" (e.g., explosive devices such as bombs, grenades, small rockets, mines, etc.), sawed-off shotguns or rifles, silencers, and certain concealable weapons.

[23] Importer, manufacturers, or dealers in certain concealable weapons only are taxed (under sec. 5845(e)) as follows: $25 per year per place of business for importers and manufacturers; and $10 per year per place of business for dealers.

Tax (and Code section)	Tax rates
L. Communications (Telephone) Excise Tax	
Local and toll (long-distance) telephone and teletypewriter services (sec. 4251)....	3 percent of amount paid (through Dec. 31, 1987).
M. Black Lung Disability Trust Fund Excise Taxes (sec. 9501)	
1. Coal excise tax (sec. 4121)...	$1.10 per ton for coal from underground mines and 55 cents per ton for coal from surface mines (but no more than 4.4 percent of the coal's selling price).[24]
2. Excise taxes on black lung benefit trusts (secs. 4951, 4952, and 4953).....	Varying rates on certain activities. (See *"Penalty" excise taxes,* N.1.c., below.)
N. Miscellaneous Excise Taxes	
1. "Penalty" excise taxes:	
a. Lobbying expenditures by public charities (sec. 4911).....	25 percent of excess lobbying expenditures.
b. Private foundation activities:	
Self-dealing (sec. 4941).....	*Initial tax.*—5 percent of the amount of self-dealing on the self-dealer; 2½ percent on foundation manager (up to $10,000). *Additional tax.*—If the self-dealing is not corrected within the correction period, there is a tax of 200 percent of the amount on the self-dealer; also, a tax of 50 percent on a foundation manager (up to $10,000).

[24] Tax does not apply to lignite. On the earlier of January 1, 1996, or any January 1 after 1981 on which there is no balance of repayable advances to the Trust Fund and no unpaid interest on such advance, the tax rates are scheduled to return to the pre-1982 rates (i.e., 50 cents/ton for underground mines, and 25 cents/ton for surface mines, limited to 2 percent of the price).

Tax (and Code section)	Tax rates
N. *1. "Penalty" excise taxes (Cont.)*	
Failure to distribute income (sec. 4942).....	*Initial tax.*—15-percent tax on the foundation on the amount remaining undistributed at the beginning of the second (or succeeding) taxable year. *Additional tax.*—If not corrected, there is an additional tax of 100 percent of the amount not distributed at the end of the correction period.
Excess business holdings (sec. 4943).....	*Initial tax.*—5-percent tax on the foundation on the value of the excess holdings. *Additional tax.*—If not corrected, there is an additional tax of 200 percent of the excess holdings at the end of a specified period.
Investments which jeopardize charitable (exempt) purpose (sec. 4944).....	*Initial taxes.*—5-percent tax on the foundation on the amount of such investment; also a 5-percent tax on the foundation manager (up to $5,000). *Additional taxes.*—25-percent tax on foundation if the investment is not removed from jeopardy within the correction period; also, a 5-percent tax is imposed on the foundation manager (up to $10,000).

Tax (and Code section)	Tax rates
N. *1. "Penalty" excise taxes (Cont.)*	
Taxable expenditures (sec. 4945).....	*Initial taxes.*—10-percent on the foundation on the amount of the taxable expenditure; also, a 2½-percent tax on the foundation manager (up to $5,000).
	Additional taxes.—If not corrected, there is a tax of 100 percent on the foundation on the taxable expenditure; also, a tax of 50 percent on the foundation manager (up to $10,000).
c. Black lung benefit trusts:	
Self-dealing (sec. 4951).....	*Initial taxes.*—10-percent tax on the self-dealer on the amount of self-dealing; 2½-percent tax on trustee.
	Additional taxes.—If not corrected, a tax of 100 percent is imposed on self-dealer; 50-percent tax on trustee.
Taxable expenditures (sec. 4952).....	*Initial taxes.*—10-percent tax on the trust on the amount of the taxable expenditure; 2½-percent tax on trustee.
	Additional taxes.—If not corrected, a tax of 100 percent is imposed on the fund; 50-percent tax on trustee.
Excess contributions to benefit trust (sec. 4953).....	5 percent tax on the contributor on excess contributions to the trust.

Tax (and Code section)	Tax rates
N. *1. "Penalty" excise taxes (Cont.)*	
d. Qualified pension, etc., plans:	
Failure to meet minimum funding standards (sec. 4971)	*Initial tax.*—Tax of 5 percent of accumulated funding deficiency is imposed on employer. *Additional tax.*—If not corrected, a tax of 100 percent is imposed on employer.
Nondeductible contributions to qualified employer plan (sec. 4972)	Tax of 10 percent of nondeductible contributions under the plan.
Excess contributions to IRAs, etc. (sec. 4973)	Tax of 6 percent of excess contributions to the plan is imposed on individual.
Certain accumulations in IRAs, etc. (sec. 4974)	50-percent tax on payee of the amount by which the minimum required to be distributed during the year exceeds the amount actually distributed during the year.
Prohibited transaction (sec. 4975)	*Initial tax.*—Tax of 15 percent of the amount involved in the prohibited transaction is imposed on the disqualified person. *Additional tax.*—If not corrected, a tax of 100 percent is imposed on the disqualified person.
Disqualified welfare benefits (sec. 4976)	100 percent of the disqualified benefit amount.

Tax (and Code section)	Tax rates
N. 1. "Penalty" excise taxes (Cont.)	
Excess fringe benefits provided by an employer (sec. 4977).....	30 percent of the "excess fringe benefits."
Section 1042 dispositions of securities by employee stock ownership plans and worker-owned cooperatives (sec. 4978).....	10 percent of the amount realized on disposition.
Prohibited allocations of qualified securities by employee stock ownership plans and worker-owned cooperatives (sec. 4979A).....	Tax of 50 percent of amount involved in a prohibited allocation.
Excess contributions under a cash or deferred arrangement (sec. 4979).....	Tax of 10 percent of the sum of excess contributions under a cash or deferred arrangement and any excess aggregate contributions under the plan for the plan year.
Reversion of qualified plan assets to employer (sec. 4980).....	Tax of 10 percent of the amount of employer reversion from a qualified plan.
Excess distributions from qualified retirement plans (sec. 4981A).....	Tax of 15 percent of excess distributions with respect to an individual during calendar year.

Tax (and Code section)	Tax rates
N. *1. "Penalty" excise taxes (Cont.)*	
e. Real estate investment trusts (sec. 4981)	Tax of 4 percent of the excess of required distribution for calendar year over the distributed amount (i.e., on the undistributed income).
f. Regulated investment trusts (sec. 4982)	Tax of 4 percent of the excess of required distribution for calendar year over the distributed amount (i.e., on the undistributed income).
g. Excise tax on issuer of "registration-required obligation" not in registered form (sec. 4701)	1 percent of the principal amount of the "registration-required obligation" (defined in sec. 163(f)) multiplied by the number of years (or portions) of the obligation.
h. Excise tax on "golden parachute" excess payments (sec. 4999)	20 percent of the "excess payment" (defined in sec. 280G(b)).
i. Excise tax on large group health plans (sec. 5000)	Tax of 25 percent of expenses of a "nonconforming large group health plan" (defined under sec. 1862(b)(4)(A)(i) of the Social Security Act).

Tax (and Code section)	Tax rates
2. Excise tax on private foundation net investment income:	
a. Domestic foundations (sec. 4940):	
General rule	2 percent of net investment income.[25]
Tax where charitable payout increases by equivalent amount	1 percent of net investment income.
b. Foreign foundations (sec. 4948)	4 percent of gross investment income from sources within U.S.
3. Deep Seabed Revenue Sharing Trust Fund excise tax on certain hard minerals (mineral nodules containing manganese, nickle, cobalt, or copper) (sec. 4495)	3.75 percent of 20 percent (or 0.75 percent) of fair market value of commercially recoverable minerals.
4. Excise tax on foreign insurance policies (sec. 4371)	(a) *Casualty insurance and indemnity bonds.*—4 cents per dollar of premium paid. (b) *Life insurance, sickness and accident policies, and annuity contracts.*—1 cent per dollar premium paid. (c) *Reinsurance.*—1 cent per premium paid for reinsurance under (a) or (b).

[25] Certain operating foundations having public involvement and not governed or run by disqualified persons are exempt from the 2-percent tax.

Tax (and Code section)	Tax rates
5. Wagering excise taxes:	
Certain wagers (sec 4401).....	2 percent of amount of wager, except that tax is 0.25 percent in States where wagering is authorized by State law.
Occupational tax (sec. 4411)....	$500 per year on person engaged or employed in business of accepting wagers (taxable period is July–June), except that tax is $50 per year in States where wagering is authorized by State law.

II. FEDERAL EXCISE TAX RECEIPTS, FISCAL YEARS 1986–1988 [1]

[In millions of dollars]

Tax	1986 actual	1987 estimate	1988 estimate
A. Alcohol Taxes			
Distilled spirits	4,045	4,097	4,045
Wines	297	321	337
Beer	1,597	1,603	1,615
Alcohol occupational taxes	21	21	21
Less refunds	−132	−132	−132
Total alcohol taxes	**5,828**	**5,910**	**5,886**
B. Tobacco Taxes			
Cigars	30	30	30
Cigarettes	4,557	4,731	4,501
Cigarette papers, tubes	2	2	2
Smokeless tobacco (snuff, chewing tobacco)	3	20	20
Other	8	8	8
Less refunds	−11	−4	−4
Total tobacco taxes	**4,589**	**4,787**	**4,557**
C. Highway Trust Fund Taxes			
Gasoline	8,906	9,038	9,484
Diesel fuel used on highways	2,667	2,741	2,885
Trucks and trailers	1,144	1,188	1,305
Tires for highway vehicles	320	267	274
Highway vehicle use tax	533	604	514
Less refunds	−210	−187	−221
Total Highway Trust Fund taxes	**13,360**	**13,651**	**14,241**
D. Airport and Airway Trust Fund Taxes			
Air passenger ticket tax	2,401	2,754	3,051
International departure tax	93	109	112
Domestic air cargo tax	138	166	186

Footnotes at end of table.

II. FEDERAL EXCISE TAX RECEIPTS, FISCAL YEARS 1986–1988 [1]—Continued

[In millions of dollars]

Tax	1986 actual	1987 estimate	1988 estimate
Fuels taxes for noncommercial (general) aviation	112	102	106
Less refunds	−8	−5	−5
Total Airport/Airway Trust Fund taxes	**2,736**	**3,126**	**[2] 3,450**
E. Environmental (Trust Fund) Excise Taxes			
Excise taxes for Hazardous Substance Superfund:			
Tax on crude oil	2	343	497
Tax on feedstock chemicals	13	174	256
Tax on imported substances [3]			
Total Superfund excise taxes [4]	15	517	753
Crude oil tax for Oil Spill Liability Trust Fund [5]			
Fuels taxes for Leaking Underground Storage Tank Trust Fund		88	130
Total environmental excise taxes	**15**	**605**	**883**
F. Crude Oil Windfall Profit Tax	**2,251**	**−30**	
G. Gas Guzzler Tax	**148**	**158**	**168**
H. Harbor Maintenance Trust Fund Tax [6]		**79**	**170**
I. Inland Waterways Trust Fund Tax	**40**	**45**	**48**
J. Aquatic Resources Trust Fund Taxes			
Boating motor fuel tax	66	104	109
Sport fish equipment tax	68	77	69
Total Aquatic Trust Fund taxes	**134**	**181**	**178**
K. Bows and Arrows and Firearms Taxes			
Bows and arrows	11	11	12
Pistols and revolvers	23	24	26
Firearms (regular), shells, cartridges	75	78	81
Other ("nonregular" firearms, occupational)	(*)	(*)	(*)
Total bows and arrows, firearms taxes	**109**	**113**	**119**

II. FEDERAL EXCISE TAX RECEIPTS, FISCAL YEARS 1986–1988 [1]—Continued

[In millions of dollars]

Tax	1986 actual	1987 estimate	1988 estimate
L. Communications (Telephone) Tax	2,339	2,605	[7] 1,020
M. Black Lung Disability Trust Fund Taxes			
Coal excise tax	547	608	656
Taxes on black lung benefit trusts	(*)	(*)	(*)
Total Black Lung Trust Fund taxes	547	608	656
N. Miscellaneous Excise Taxes			
"Penalty" excise taxes:			
Employee pension plans	17	265	141
Other	(*)	(*)	(*)
Tax on foundation investment income	210	350	260
Deep Seabed Revenue Sharing Trust Fund tax on hard minerals	(*)	(*)	(*)
Foreign insurance policies	140	87	90
Wagering taxes	7	8	8
Miscellaneous refunds, undistributed Federal tax deposits and unapplied collections	415	--142	−21
Total misc. excise taxes	789	568	478
Total Federal Excise Taxes	32,885	32,406	31,854
General Fund Excises	16,053	14,111	12,228
Trust Fund Excises	16,866 32	18,295	19,626

* Less than $500,000.

[1] This revenue table generally follows the order for excise tax categories as in Part I of this pamphlet.

[2] Assumes extension of present-law taxes beyond December 31, 1987.

[3] Tax is scheduled to start on January 1, 1989.

[4] Receipts from the environmental tax on corporations (Code sec. 59A) are not shown in this table, although they are included in the Hazardous Substances Superfund excise tax total receipts in the Fiscal Year 1988 Budget (Supplement). (Sec. 59A tax revenues to the Superfund are estimated to be $196 million in 1987 and $383 million in 1988.)

[5] Tax is contingent upon passage of qualified authorizing legislation by September 1, 1987 (no estimate of revenue is included.)

[6] Harbor (port) use tax effective on April 1, 1987.

[7] Assumes present-law expiration of tax after December 31, 1987.

Source: *Fiscal Year 1988 Budget of the United States Government,* Supplement.

APPENDIX

Table 1.—Excise Tax Rates on Certain Chemicals for the Hazardous Substance Superfund [1]

Feedstock Chemical (Sec. 4661)	Tax per ton
Acetylene	$4.87
Benzene	4.87
Butane	4.87
Butylene	4.87
Butadiene	4.87
Ethylene	4.87
Methane	3.44
Napthalene	4.87
Propylene	4.87
Toluene	4.87
Xylene [2]	4.87
Ammonia	2.64
Antimony	4.45
Antimony trioxide	3.75
Arsenic	4.45
Arsenic triozide	3.41
Barium sulfide	2.30
Bromine	4.45
Cadmium	4.45
Chlorine	2.70
Chromium	4.45
Chromite	1.52
Potassium dichromate	1.69
Sodium dichromate	1.87
Cobalt	4.45
Cupric sulfate	1.87
Cupric oxide	3.59
Cuprous oxide	3.97
Hydrochloric acid	0.29
Hydrogen fluoride	4.23
Lead oxide	4.14
Mercury	4.45
Nickel	4.45
Phosphorus	4.45
Stannous chloride	2.85
Stannic chloride	2.12
Zinc chloride	2.22
Zinc sulfate	1.90

Footnotes at end of table.

Table 1.—Excise Tax Rates on Certain Chemicals for the Hazardous Substance Superfund [1]—Continued

Feedstock Chemical (Sec. 4661)	Tax per ton
Potassium hydroxide	0.22
Sodium hydroxide	0.28
Sulfuric acid	0.26
Nitric acid	0.24

[1] The tax on feedstock chemicals is scheduled to expire December 31, 1991, or earlier if (1) the Superfund unobligated balance exceeds $3,500 million at the end of 1989 or 1990, *and* if the unobligated balance is estimated to exceed this amount at the end of the following year if no Superfund taxes were to be imposed during such year, or (2) when total Superfund tax revenues exceed $6,650 million (including the sec. 59A tax revenues).

[2] For periods before 1992, the tax rate for xylene is $10.13.

Table 2.—List of Taxable Substances Under the Excise Tax on Certain Imported Substances (Secs. 4671-72)

Taxable Substance[1]	Taxable Substance[1]
Cumene	Methylene chloride
Styrene	Polypropylene
Ammonium nitrate	Propylene glycol
Nickel oxide	Formaldehyde
Isopropyl alcohol	Acetone
Ethylene glycol	Acrylonitrile
Vinyl chloride	Methanol
Polyethylene resins, total	Propylene oxide
Polybutadiene	Polypropylene resins
Styrene-butadiene, latex	Ethylene oxide
Styrene-butadiene, snpf	Ethylene dichloride
Synthetic rubber, not containing fillers	Chylohexane
Urea	Isophthalic acid
Ferronickel	Maleic anhydride
Ferrochromium nov 3 pct.	Phthalic anhydride
Ferrochrome ov 3 pct. carbon	Ethyl methyl ketone
Unwrought nickel	Chloroform
Nickel waste and scrap	Carbon tetrachloride
Wrought nickel rods and wire	Chromic acid
Nickel powders	Hydrogen peroxide
Phenolic resins	Polystyrene homopolymer resins
Polyvinylchloride resins	Melamine
Polystyrene resins and copolymers	Acrylic and methacrylic acid resins
Ethyl alcohol for nonbeverage use	Vinyl resins
Ethylbenzene	Vinyl resins, nspf

[1] For applicable tax, see E. 1, and relevant chemical feedstock tax rates in Table 1, generally at the rate applicable to the chemical component of the taxable imported substance.

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